

## Agricultural Research Service, USDA

## § 550.22

(Pub. L. 101-453) govern, payment methods of State agencies, instrumentalities, and fiscal agents shall be consistent with CMIA Treasury-State Agreements or the CMIA default procedures codified at 31 CFR part 205, "Rules and procedures for efficient Federal State funds transfer."

(6) Written procedures for determining the reasonableness, allocability and allowability of costs in accordance with the provisions of the applicable Federal cost principles and the terms and conditions of the award.

(7) Accounting records including cost accounting records that are supported by source documentation.

(c) Where bonds are required in the situations described above, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties, as prescribed in 31 CFR part 223, "Surety Companies Doing Business with the United States."

### § 550.21 Funding availability.

The funding period will begin on the date of final signature, unless otherwise stated on the agreement, and continue for the project period specified on the cover page of the cooperative agreement.

### § 550.22 Payment.

(a) Payment methods shall minimize the time elapsing between the transfer of funds from the U.S. Treasury and the issuance or redemption of a check, warrant, or payment by other means by the Cooperators. Payment methods of State agencies or instrumentalities shall be consistent with Treasury-State CMIA agreements or default procedures codified at 31 CFR part 205.

(b) Reimbursement is the preferred method of payment. All payments to the Cooperator shall be made via EFT.

(1) When the reimbursement method is used, the REE Agency shall make payment within 30 days after receipt of the billing, unless the billing is improper.

(2) Cooperators shall be authorized to submit requests for payment not more than quarterly and not less frequently than annually.

(3) Content of Invoice.

At a minimum, the Cooperator's invoice shall state the following:

(i) The name and address of the Cooperator;

(ii) The name and address of the PI;

(iii) The name and address of the financial officer to whom payments shall be sent;

(iv) A reference to the cooperative agreement number;

(v) The invoice date;

(vi) The time period covered by the invoice; and

(vii) Total dollar amount itemized by budget categories (labor, direct costs, and indirect costs, etc.).

(4) To facilitate the EFT process, the Cooperator shall provide the following information:

(i) The name, addresses, and telephone number of the financial institution receiving payment;

(ii) The routing transit number of the financial institution receiving payment;

(iii) The account to which funds are to be deposited; and

(iv) The type of depositor account (checking or savings).

(c) If the REE Agency has determined that reimbursement is not feasible because the Cooperator lacks sufficient working capital, the REE Agency may provide cash on an advance basis provided the Cooperator maintains or demonstrates the willingness to maintain: Written procedures that minimize the time elapsing between the transfer of funds and disbursement by the Cooperator, and financial management systems that meet the standards for fund control and accountability as established in § 550.20. Under this procedure, the REE Agency shall advance cash to the Cooperator to cover its estimated disbursement needs for an initial period. The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by the Cooperator organization for direct program or project costs and the proportionate share of any allowable indirect costs.

(1) Advance payment mechanisms include, but are not limited to, Treasury check and electronic funds transfer.

(2) Advance payment mechanisms are subject to the requirements of 31 CFR part 205.

(3) Requests for advance payment shall be submitted on SF-270, "Request